



Alabama Department of Economic And Community Affairs

FOB JAMES, JR.
GOVERNOR

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EDWIN L. GARDNER
DIRECTOR

ALABAMA CDBG INTERGOVERNMENTAL POLICY LETTER NUMBER 11 REVISION 1

TO: Persons Interested in State
CDBG Program

FROM: Jean D. Davis, Chief,
Planning and Economic Development Division

POLICY LETTER ON ADMINISTRATIVE COSTS FOR STATE CDBG PROJECTS

Because of the nature of CDBG projects, it is necessary to devise procedures to provide for timely and efficient closings.

For those CDBG grantees receiving state CDBG administrative monies for the purpose of managing projects, a ceiling of 90 percent is established on approved administrative costs to be drawn until such time as acceptable closeout documents are submitted to, and approved by, ADECA. The minimum draw will be adjusted in those cases where necessary so as to permit drawing administrative monies with a 10 percent retainage by the state.

Effective Date: Immediately